S 6615-2

OREGON LABOR TRENDS

Prepared by Research and Statistics Section
STATE OF OREGON • EMPLOYMENT DIVISION • DEPARTMENT OF HUMAN RESOURCES
OCTOBER 1985

SEPTEMBER INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)

Sep.	1985	8.1
Aug.	1985	8.5
Sep.	1984	8.8

U.S.

Sep.	1985	7.1
Aug.	1985	7.0
Sep.	1984	7.4

WAGE AND SALARY EMPLOYMENT INDEX

Oregon 1977=100

Sep.	1985	108.9
Aug.	1985	109.4
July	1985	108.8
June	1985	108.7
May	1985	109.2

DIFFUSION INDEX

Oregon

Sep.	1985	47.3
Aug.	1985	45.7
July	1985	45.3
June	1985	45.7
May	1985	50.4

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Aug.	1985	38.8
July	1985	37.1
Aug.	1984	38.9

CONSUMER PRICE INDEX (CPI)

1967=100

ALL URBAN CONSUMERS

Portland MSA

Sep. 1985	314.9
Yearly Change	+ 4.1%

U.S.

Sep. 1985	324.5
Yearly Change	+ 3.2

Portland Hotline 221-4132

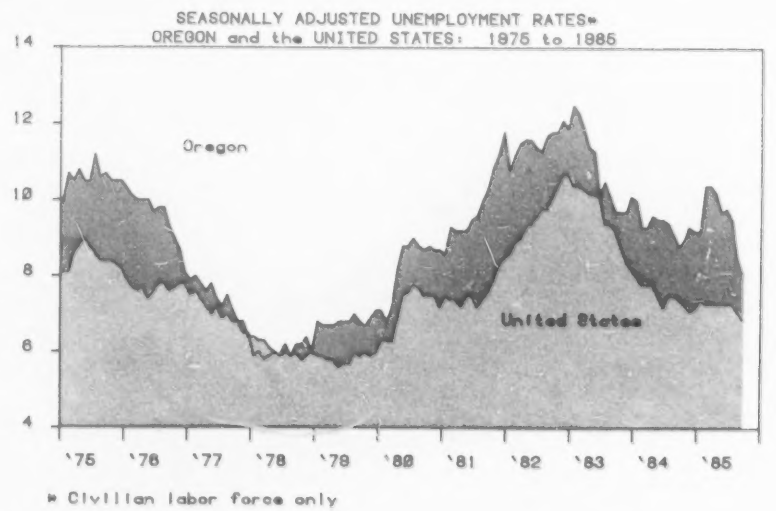
WELL, HERE WE GO AGAIN

Mike Staten

Oregon's seasonally adjusted unemployment rate surprised almost everyone by continuing its decline into September, for the third consecutive month. The last time the State experienced such a phenomena was June through September 1984 and prior to that, January through June 1983.

The national economy showed little change in September. The seasonally adjusted unemployment rate, however, did move up for the first time in eight months from 7.0% to 7.1%, following a 0.3% drop in August. Since September 1984, the nation's unemployment rate has hovered between 7.0% and 7.4%, holding at 7.3% for six months until August of this year. During this same 13 month period, Oregon's seasonally adjusted unemployment rate moved from 8.8% in September 1984 up to 10.4% in February and March 1985 and now rests at 8.1%.

While the seasonally adjusted unemployment rate has declined over the past three months, other key economic indicators which the Employment Division tracks have not made notable improvements. The Oregon diffusion index, a leading indicator of shifts in the economic cycle, has remained below 50.0 since June. This does nothing to encourage an optimistic outlook regarding the future of Oregon's economy over the next few months. It does, however, lend credence to the concern expressed in the June 1985 issue of Labor Trends about possible further setbacks during the



RESIDENT OREGON LABOR FORCE

	SEPT. 1985 1/	AUG. 1985 2/	CHANGE	% CHANGE	SEPT. 1984 5/
CIVILIAN LABOR FORCE 3/	1,331,500	1,333,200	- 1,700	- 0.1	1,333,200
UNEMPLOYMENT	93,400	103,300	- 9,900	- 9.6	102,900
PERCENT OF LABOR FORCE	7.0	7.7	XXX	XXX	7.7
SEASONALLY ADJUSTED PERCENT	8.1	8.5	XXX	XXX	8.8
TOTAL EMPLOYMENT 4/	1,238,100	1,229,900	8,200	0.7	1,230,300

1/ PRELIMINARY. 2/ REVISED. 3/ INCLUDES EMPLOYED AND UNEMPLOYED INDIVIDUALS 16 YEARS AND OLDER. DATA ARE ADJUSTED FOR MULTIPLE JOB-HOLDING AND COMMUTING. 4/ INCLUDES NONAGRICULTURAL WAGE AND SALARY, SELF-EMPLOYED, UNPAID FAMILY WORKERS, DOMESTICS, FARM WORKERS, AND LABOR DISPUTANTS. 5/ DUE TO REVISED ESTIMATING PROCEDURES BETWEEN DECEMBER 1984 AND JANUARY 1985, DATA FOR 1985 AND THAT OF PREVIOUS YEARS ARE NOT STRICTLY COMPARABLE.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK)

INDUSTRY	SEPT. 1985 1/	AUG. 1985 2/	SEPT. 1984	CHANGE FROM AUG. 1985	CHANGE FROM SEPT. 1984
TOTAL 3/	1,038,500	1,028,900	1,024,900	9,600	13,600
WAGE & SALARY EMPLOYMENT INDEX 4/	108.9	109.4	107.5	XXX	XXX
DIFFUSION INDEX 5/	47.3	45.7	52.4	XXX	XXX
TOTAL MANUFACTURING	206,100	208,100	209,200	- 2,000	- 3,100
DURABLE GOODS	146,400	146,800	150,700	- 400	- 4,300
LUMBER & WOOD PRODUCTS	66,100	66,800	69,000	- 700	- 2,900
LOGGING & SAWMILLS	35,300	35,700	37,400	- 400	- 2,100
VENEER & PLYWOOD	16,300	16,400	17,400	- 100	- 1,100
MILLWORK & STRUCTURAL WOOD	8,900	9,100	8,400	- 200	500
MOBILE HOMES	1,500	1,500	1,700	0	- 200
OTHER WOOD PRODUCTS	4,100	4,100	4,100	0	0
FURNITURE AND FIXTURES	2,700	2,500	2,700	200	0
STONE, CLAY, GLASS & CONCRETE	2,700	2,700	2,800	0	- 100
PRIMARY METALS	9,000	8,800	9,400	200	- 400
BLAST FURNACES, IRON & STEEL	5,700	5,600	5,500	100	200
NONFERROUS METALS	3,300	3,200	3,900	100	- 600
FABRICATED METALS	11,300	10,900	10,600	400	700
FABRICATED STRUCTURAL METALS	5,800	5,600	5,100	200	700
OTHER FABRICATED METALS	5,500	5,300	5,500	200	0
MACHINERY	15,400	15,600	15,800	- 200	- 400
ELECTRICAL EQUIPMENT & SUPPLIES	14,000	14,000	14,700	0	- 700
TRANSPORTATION EQUIPMENT	8,000	8,200	8,400	- 200	- 400
INSTRUMENTS & RELATED PRODUCTS	14,300	14,300	14,500	0	- 200
MISCELLANEOUS MANUFACTURING	2,900	3,000	2,800	- 100	100
NONDURABLE GOODS	59,700	61,300	58,500	- 1,600	1,200
FOOD & KINDRED PRODUCTS	29,300	31,000	28,500	- 1,700	800
CANNING & PRESERVING	19,000	20,600	18,000	- 1,600	1,000
OTHER FOOD PRODUCTS	10,300	10,400	10,500	- 100	- 200
TEXTILE MILL PRODUCTS	1,600	1,600	1,600	0	0
APPAREL	2,500	2,400	2,800	100	- 300
PAPER & ALLIED PRODUCTS	9,500	9,500	8,600	0	900
PRINTING & PUBLISHING	11,000	11,100	11,100	- 100	- 100
CHEMICALS & ALLIED PRODUCTS	2,100	2,100	2,100	0	0
PETROLEUM REFINING	500	500	600	0	- 100
RUBBER & PLASTIC PRODUCTS	2,800	2,700	2,800	100	0
LEATHER PRODUCTS	400	400	400	0	0

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	SEPT. 1985	AUG. 1985	SEPT. 1984	CHANGE FROM AUG. 1985	CHANGE FROM SEPT. 1984
(CONT.)					
TOTAL NONMANUFACTURING	832,400	820,800	815,700	11,600	16,700
MINING & QUARRYING	1,700	1,700	1,800	0	- 100
CONSTRUCTION	34,900	35,200	34,100	- 300	800
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	55,900	55,300	56,500	600	- 600
TRANSPORTATION	33,600	33,000	34,100	600	- 500
RAILROAD	5,100	5,100	5,400	0	- 300
TRUCKING & WAREHOUSING	18,300	18,100	18,200	200	100
OTHER TRANSPORTATION	10,200	9,800	10,500	400	- 300
COMMUNICATIONS	13,500	13,500	13,700	0	- 200
UTILITIES	8,800	8,800	8,700	0	100
TRADE	266,900	265,200	259,800	1,700	7,100
WHOLESALE TRADE	67,500	67,300	65,900	200	1,600
DURABLE GOODS	39,300	39,400	38,500	- 100	800
NONDURABLE GOODS	28,200	27,900	27,400	300	800
RETAIL TRADE	199,400	197,900	193,900	1,500	5,500
GENERAL MERCHANDISE	23,700	23,400	24,500	300	- 800
FOOD STORES	31,400	31,400	28,800	0	2,600
AUTO DEALERS & SERVICE STATIONS	25,700	25,800	24,900	- 100	800
OTHER RETAIL TRADE	118,600	117,300	115,700	1,300	2,900
FINANCE, INSURANCE, & REAL ESTATE	69,000	69,600	66,900	- 600	2,100
BANKING & CREDIT AGENCIES	23,700	23,600	23,600	100	100
OTHER FINANCE, INSURANCE, & REAL ESTATE	45,300	46,000	43,300	- 700	2,000
SERVICES	214,600	213,100	208,500	1,500	6,100
HOTELS & PERSONAL SERVICES	24,700	24,900	24,200	- 200	500
HEALTH SERVICES	70,600	70,500	68,100	100	2,500
OTHER SERVICES	119,300	117,700	116,200	1,600	3,100
GOVERNMENT	189,400	180,700	188,100	8,700	1,300
FEDERAL GOVERNMENT	31,300	31,600	29,700	- 300	1,600
STATE GOVERNMENT	52,200	51,700	51,000	500	1,200
EDUCATION	17,900	17,700	18,100	200	- 200
OTHER STATE	34,300	34,000	32,900	300	1,400
LOCAL GOVERNMENT	105,900	97,400	107,400	8,500	- 1,500
EDUCATION	63,000	53,700	65,400	9,300	- 2,400
OTHER LOCAL	42,900	43,700	42,000	- 800	900
LABOR-MANAGEMENT DISPUTES	100	200	900	- 100	- 800

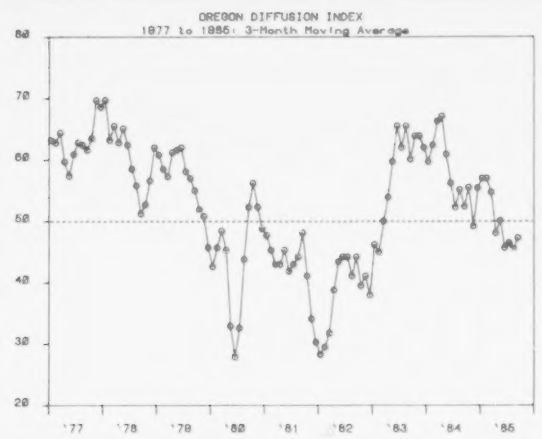
1/ PRELIMINARY

2/ REVISED

3/ INCLUDES FULL AND PART-TIME NONFARM WAGE AND SALARY WORKERS IN PAY PERIODS INCLUDING THE 12TH OF THE MONTH. PROPRIETORS, SELF-EMPLOYED, PRIVATE HOUSEHOLD WORKERS AND ARMED FORCES EXCLUDED. NOTE: ESTIMATED IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS AND EMPLOYMENT AND TRAINING ADMINISTRATION. ALL DATA ARE BASED ON THE 1972 STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES AS AMENDED BY THE 1977 SUPPLEMENT.

4/ TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED, AND INDEXED TO 1977. DATA ON THE EARLIER INDEX (1972 = 100) CAN BE CONVERTED TO THE 1977 BASE PERIOD BY MULTIPLYING BY A FACTOR OF .8264, THE RATIO BETWEEN 1972'S ANNUAL AVERAGE EMPLOYMENT (774,300) AND THAT OF 1977 (936,900).

5/ THE DIFFUSION INDEX IS THE PERCENTAGE OF A SELECTED GROUP OF 43 INDUSTRIES SHOWING AN INCREASE IN SEASONALLY ADJUSTED EMPLOYMENT. HALF OF THOSE INDUSTRIES SHOWING NO SIGNIFICANT CHANGE (LESS THAN 1/2 OF 1%) ARE COUNTED AS INCREASING.



fall and winter months if the index remained below 50.0. An examination of the diffusion index graph illustrates the downward and stagnant activity the index has shown in recent months.

Another key economic indicator which is watched closely is the nonfarm wage & salary employment index. The performance of this measurement of the state's economic health has not been as negative as the diffusion index. However, it too has hit a period of stagnation during 1985. In 1983 there was significant improvement in the employment index which was nearly as pronounced as was the downward slide throughout 1981 and 1982. During 1984, a slower growth rate came into play but improvement was still occurring. Then in 1985 things began to change; the index see-sawed slightly from month to month but by September the index level was 0.4 below January's. Looking at this another way, changes in the index for 1985 have varied by only 0.9; from a high of 109.6 in February down to 108.7 in June. During the same time last year, there was a gain of 2.0. Perhaps the simplest and most important concept to keep in mind regarding the nonfarm wage and salary employment index is that September 1985's level of 108.9 means there were only 8.9% more nonfarm wage and salary jobs in Oregon than in 1977! By comparison, the same index measurement for the nation currently stands at 119.0. Wouldn't it be nice if both of these had performed as well as the Consumer Price Index, which rose by about 180% during this time?

Changes in nonfarm wage and salary employment were less than expected in nearly all cases. While there was a net gain of 9,600 jobs between August and September, it fell 4,200 jobs short of the normal gain for this time of year. Market weakness continued in lumber and wood products, where 700 workers were laid off, mostly from logging operations. While nearly everyone has been waiting for falling interest rates and more housing starts across the nation to give Oregon's wood products industry a "vitamin boost", it hasn't had much effect yet. Now, we have something new on the horizon - a weakening American dollar on the international currency market. Will it provide us with the boost we've been waiting for, or will we just be kept waiting again?

Due to the dry, warm weather during the spring and summer months, the canning and preserving season in Oregon reached its peak employment levels in August rather than September. Harvests were earlier than normal this year and the majority of the processing activity took place in the month of August. Despite this, employment in the industry was still 1,000 ahead of September 1984.

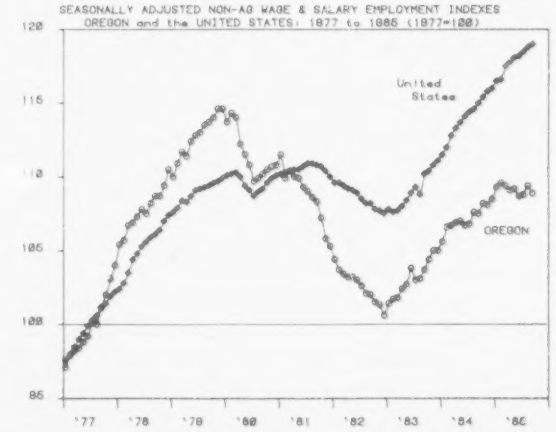
Housing starts are up nationally but unfortunately Oregon is not sharing in this good fortune. Residential building construction is running about 300 employees less than last year and this month's level is the lowest September employment count in over 13 years! At the same time, nonresidential construction employment is slightly ahead of last year. Overall, Oregon's construction industry reached its highest employment level since October 1981 in August, but fell slightly in September.

Employment levels in the trade industry were positively impacted by two regular occurrences at this time of year in Oregon - deer hunting season and the new school year. Sporting goods stores and book stores added nearly 600 workers to the ranks in retail trade.

There seems to be no let-up in the growth of services. In addition to the 2,000 jobs which were added in private education, business services contributed 400 and helped the industry reach its highest employment level in history - 214,600. That marks a gain of 9,300 since January 1985, and a whopping 27,500 in the last three calendar years!

September is one of two months when employment in the public sector registers a significant change between months. The start-up of a new school year always inflates the number of government employees. This year was no exception, with the addition of 8,700 more than in August. However, the uncertainty of many local school budgets helped hold this increase down by about 1,700 from what would normally be expected. Much of the usual hiring is being withheld pending the outcome of emergency budget elections in October.

In summary, while Oregon's seasonally adjusted unemployment rate has been declining for the past three months, other indicators are not supporting this trend. We frequently hear ourselves making statements like, "The good news this month is that the unemployment rate went down, but ...". Well, here we go again!□



AVERAGE ANNUAL PAY IN METRO AREAS

The average annual pay of U.S. workers covered by State and Federal Unemployment Insurance (UI) programs increased by 4.6% to $18,350 in 1984, according to preliminary data recently released by The Bureau of Labor Statistics of the U.S. Department of Labor.

Annual pay data are compiled from reports submitted by employers under UI programs covering over 93 million full- and part-time workers. Average pay is computed by dividing total annual pay of employees covered by UI programs by the average monthly number of these employees.

Industries

Average annual pay varies widely by industry. For example, in Oregon, the highest paid workers ($23,813) were employed in Transportation, Communications and Utilities. Oregon Retail Trade workers, many of whom work only part-time, earned the lowest average annual pay at $10,562. With the exception of Mining (-1.3%) and Construction (-0.1%), average pay levels rose moderately in Oregon's major industrial categories between 1983 and 1984 as shown below.

Mining	$21,790	-1.3
Construction	20,250	-0.1
Manufacturing	22,821	5.3
Transp., Comm. & Util.	23,813	2.6
Wholesale Trade	21,716	5.4
Retail Trade	10,562	4.1
Finance, Insurance & R.E.	17,089	3.2
Services	14,463	3.8
Government	19,102	4.5

Metropolitan Areas

The average annual pay for workers in 316 major metropolitan areas in the U.S. last year was $19,028, an increase of 4.7%. Annual pay in all four of Oregon's major metropolitan areas was less than the U.S. average. This can be due to several factors including these:

- the ratios of full-time to part-time workers
- the mix of industries and occupations
- the extent of unionization
- the rates of local inflation, which in part reflect the relative strength of the economy in each area.

U.S. average (316 areas)	$19,028	4.7
Eugene-Springfield MSA	16,338	2.6
Medford MSA	16,164	4.7
Portland PMSA	18,736	3.9
Salem MSA	15,398	3.1

States

Average annual pay increased in all states between 1983 and 1984, reflecting a combination of economic recovery and moderate to low rates of inflation in each state. Oregon's rate of increase in average pay (4.1%) was below the U.S. average (4.6%), but about equal to the rate of consumer price inflation in the 1983-84 period (U.S. CPI-U rose 4.3%; Portland area CPI-U rose 3.8%).

In terms of the actual level of average pay, Oregon placed in the middle of the pack at $17,474. Alaska ($28,806) and South Dakota ($13,532) represented the high and low ends of the spectrum.□

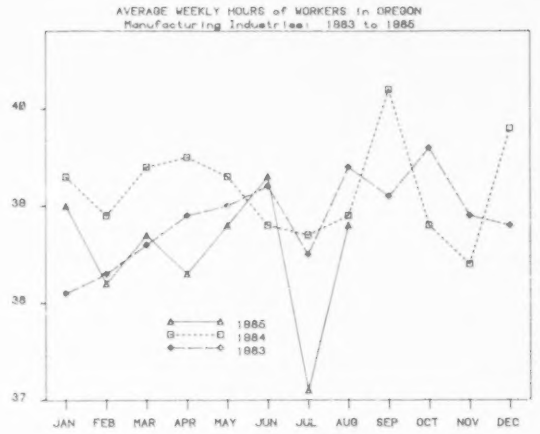
AVERAGE ANNUAL PAY IN 1984

	1984	Percent Change 1983-84
United States	$18,350	4.6
Alabama	16,203	4.3
Alaska	28,806	0.2
Arizona	17,349	4.1
Arkansas	14,973	4.5
California	19,873	4.5
Colorado	18,774	3.7
Connecticut	19,980	NA
Delaware	18,505	1.9
District of Columbia	25,120	5.2
Florida	16,175	4.0
Georgia	16,951	5.3
Hawaii	16,071	3.5
Idaho	15,793	3.6
Illinois	19,733	5.4
Indiana	17,832	4.5
Iowa	15,668	3.0
Kansas	16,665	4.7
Kentucky	16,627	3.8
Louisiana	17,769	2.5
Maine	14,850	5.1
Maryland	18,151	5.1
Massachusetts	18,428	6.1
Michigan	20,940	6.3
Minnesota	18,038	4.7
Mississippi	14,398	3.3
Missouri	17,599	4.8
Montana	15,521	2.0
Nebraska	15,197	3.5
Nevada	17,565	2.6
New Hampshire	16,163	4.0
New Jersey	19,889	5.7
New Mexico	16,426	3.1
New York	20,754	5.4
North Carolina	15,422	5.1
North Dakota	15,289	1.6
Ohio	18,783	4.8
Oklahoma	17,625	2.7
Oregon	17,474	4.1
Pennsylvania	17,931	4.5
Rhode Island	16,150	4.9
South Carolina	15,305	4.5
South Dakota	13,532	2.6
Tennessee	16,216	4.3
Texas	18,864	4.0
Utah	17,201	4.2
Vermont	15,263	4.2
Virginia	17,271	4.8
Washington	18,371	1.8
West Virginia	17,482	3.6
Wisconsin	17,021	3.9
Wyoming	18,322	2.5

HOURS & EARNINGS

Jason Yohannan

Wage freezes or wage cuts are a threat to those manufacturing workers whose products are currently being made elsewhere at less cost. In recent months, the value of the American dollar has dropped relative to other nations' currencies. Although a multi-national effort is now under way to further support this trend, our dollar remains at historically high levels. This allows imports of wood products, electrical goods, and apparel, for example, to gain a competitive advantage over American-made goods. In order to stay competitive, U.S. manufacturers have, in some cases, gone to their employees asking for restraint in salary demands. The total manufacturing average hourly earnings series, then, will be one to watch closely in upcoming months. While most of the July-to-August decline of $.23 is due strictly to the seasonal rise of food processing activity as described in last month's issue of Oregon Labor Trends, some of the over-the-month and over-the-year decrease in lumber and wood products hourly earnings certainly can be attributed to the above reasons.



AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS 1/

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Aug. 2/ 1985	July 3/ 1985	Aug. 1984	Aug. 2/ 1985	July 3/ 1985	Aug. 1984	Aug. 2/ 1985	July 3/ 1985	Aug. 1984
TOTAL MANUFACTURING 4/	$398.86	$389.92	$404.56	38.8	37.1	38.9	$10.28	$10.51	$10.40
Durable Goods	421.74	399.38	425.42	39.6	37.5	39.5	10.65	10.65	10.77
Lumber & Wood Products	438.77	411.44	435.63	39.6	36.9	39.0	11.08	11.15	11.17
Logging & Sawmills	468.85	438.12	468.00	39.3	36.0	39.0	11.93	12.17	12.00
Veneer & Plywood	431.35	410.34	438.99	40.2	38.1	39.8	10.73	10.77	11.03
Millwork & Struct Wood	348.88	319.98	340.95	39.6	37.6	39.1	8.81	8.51	8.72
Mobile Homes	309.59	287.93	267.15	36.9	34.4	32.9	8.39	8.37	8.12
Other Wood Products	446.89	422.14	408.06	40.7	39.9	37.3	10.98	10.58	10.94
Furniture & Fixtures	307.84	278.74	299.75	37.0	36.2	37.8	8.32	7.70	7.93
Primary Metals	497.30	488.74	504.48	40.3	39.8	41.9	12.34	12.28	12.04
Fabricated Metals	390.45	375.67	406.61	39.4	38.1	40.1	9.91	9.86	10.14
Machinery	411.56	410.50	405.99	38.9	38.4	39.0	10.58	10.69	10.41
Nondurable Goods	346.89	365.69	351.56	37.1	36.1	37.4	9.35	10.13	9.40
Food & Kindred Products	274.72	299.98	277.61	36.1	35.5	36.1	7.61	8.45	7.69
Canning & Preserving	227.15	238.48	230.16	35.0	33.4	35.3	6.49	7.14	6.52
Other Food Products	401.41	423.32	398.32	39.2	39.6	38.3	10.24	10.69	10.40
Textile Mill Products	206.88	172.58	218.02	33.1	28.2	35.8	6.25	6.12	6.09
Apparel	215.39	138.57	204.50	38.6	25.9	37.8	5.58	5.35	5.41
Paper & Allied Products	593.17	622.58	570.63	40.6	41.7	42.3	14.61	14.93	13.49
Printing & Publishing	392.07	373.30	433.18	35.1	33.6	35.8	11.17	11.11	12.10
Construction 4/	511.63	513.47	553.06	37.4	37.7	37.7	13.68	13.62	14.67
Communications & Utilities 5/	497.35	502.66	498.48	40.8	41.0	40.2	12.19	12.26	12.40
Trade 5/	290.53	291.72	292.56	34.1	34.0	34.5	8.52	8.58	8.48
Wholesale Trade	401.94	397.76	392.27	38.5	38.1	37.9	10.44	10.44	10.35
Retail Trade	237.76	241.71	244.78	32.0	32.1	32.9	7.43	7.53	7.44
Banking & Insurance	282.75	282.34	267.11						
State & Local Government	365.38	362.57	352.79						

1/ Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.
2/ Preliminary
3/ Revised
4/ Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.
5/ Data for nonsupervisory employes only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

It should be re-emphasized, however, that parts of Oregon's economy do benefit from imports, most notably the transportation, wholesale trade, and retail trade industries.

Last month's issue also described how August was a good month in terms of employment growth. The average weekly hours series reflected that situation, as all manufacturing industries except other food products and paper & allied products showed workweek increases for the month.□

LABOR SURPLUS AREAS

Labor surplus areas are areas with high unemployment rates to which Federal procurement contracts can be directed. Rather than classifying these areas by metropolitan area or by labor market area, the U.S. Department of Labor classifies them on the basis of civil jurisdictions. These are defined as all cities with a population of at least 50,000 and all counties.

A civil jurisdiction is classified as a labor surplus area when its average unemployment rate is at least 20% above the average unemployment rate for all states during the previous two calendar years. Two exceptions may occur during periods of high or low national unemployment. During periods of high national unemployment (i.e. a rate above 8.3%), an area is classified as a labor surplus area if its average rate is 10% or more. During periods of low national unemployment (i.e. a rate below 5.0%), a 6.0% 'floor' comes into effect. No area with an unemployment rate of less than 6.0% would be considered a labor surplus area.

Under certain exceptional circumstances, an area not meeting any of the above criteria may be considered a labor surplus area if a significant increase in unemployment takes place which is not reflected in the rate for the previous two years.

In 1983-84, the average unemployment rate for the U.S. was 8.6%. Therefore, the 10.0% 'ceiling' is. The following table lists 26 areas in Oregon which have been designated labor surplus areas by the U.S. Department of Labor for the period October 1, 1985 to September 30, 1986. Employers located in any of these areas, or which agree to carry out a substantial portion of the contract in a labor surplus area, currently qualify for bidding preference on certain Federal procurement contracts.

Employers interested in bidding on Federal contracts should consult the Commerce Business Daily which lists Federal contracting requirements and indicates those to be awarded under preference procedures. The Seattle Business Service Center of the General Services Administration can provide additional information concerning Federal contracting opportunities in Alaska, Idaho, Oregon and Washington.

Contact: General Services Administration
442 Federal Bldg.
915 Second Ave.
Seattle, WA 98174
Attn: Wiletta Brown
Ph. (206) 442-5556 □

JSEC SEMINARS FOR EMPLOYERS

Local Job Service Employer Committees have scheduled the following seminars for employers during November:

Topic: Unemployment Insurance
Purpose: To give employers a better understanding of the unemployment insurance process. Employment Division Administrator Ray Thorne, or Deputy Administrator Libby Leonard will be the luncheon speaker.

Location: Salem, Nov. 6, 8:00 AM-3:30 PM (call 378-4845)
Newport, Nov. 19, 8:30 AM-3:30 PM (call 265-8891)
Portland, Nov. 20, 8:00 AM-3:30 PM (call 229-5649 or 280-6004)

Topic: Exit Interviews
Purpose: A private consultant will discuss exit interviews and the necessary steps employers should take before terminating an employee.
Location: Wilsonville, Nov. 19, 8:00 AM-10:30 AM (call 657-2073)

Oregon Labor Surplus Areas
Eligible for Federal Procurement Preference
October 1, 1985 through September 30, 1986.

Area	Unemployment Rate (1983-84 Average)
Baker County	16.8
Clatsop County	11.7
Coos County	14.7
Crook County	11.5
Curry County	13.2
Deschutes County	12.6
Douglas County	12.5
Grant County	14.3
Harney County	13.5
Hood River County	13.2
Jackson County	11.0
Jefferson County	11.9
Josephine County	12.8
Klamath County	11.7
Lake County	11.6
Lane County Less City of Eugene	11.7
Lincoln County	10.9
Linn County	13.3
Malheur County	11.9
Tillamook County	12.9
Umatilla County	11.9
Union County	11.1
Wallowa County	12.3
Wasco County	13.0
Wheeler County	11.6
Yamhill County	10.0

EMPLOYERS' CORNER – PROFESSIONAL PLACEMENT SERVICE

John Stone

Groups of employers work closely with the Employment Division throughout Oregon. These groups, known as Job Service Employer Committees (JSEC's), keep the Oregon Employment Division informed about employer needs and ideas. Last year, a Portland JSEC group expressed concern that employers were not receiving adequate service from the Employment Division in the professional, technical, and managerial occupations. As a result of this concern, a task force of JSEC employers and local office managers of the Employment Division was formed. Its purpose was to investigate the feasibility of establishing a special placement unit to provide services to professional, technical and managerial applicants, and to employers needing these types of workers.

As a result, a "Professional Placement Service" unit was organized in the Portland metropolitan area to operate as a test project. Four local Employment Division offices were selected to work with employers that hire a substantial number of workers in the professional, technical, and managerial occupations.

Each of the four test offices was provided with a private interviewing area staffed by an Employment Division "Account Executive" employee. Each Account Executive was trained by interested employers to deal with a certain group of occupations. The occupational groups were: information systems (primarily data processing), health care services, electronics, and accounting/engineering. This procedure was adopted to insure that employers would receive a personal and efficient referral service for these occupations. All professional, technical, and managerial job applicants in Oregon were entered into a computerized job-match system. The job-match system provided employers with the largest available job applicant pool to meet their needs. The U.S. job bank of applicants was also used.

Employers and job applicants who could benefit from this special service should contact the following Account Executives at their respective Oregon Employment Division local offices:

1. Information Systems (primarily Data Processing)
   Kathy Craft - 229-5239
   Downtown Portland Local Office
   1099 Columbia, S.W. P.O. Box 159, 97207
2. Health Care Services
   Jean Erickson - 280-6081
   North Portland Local Office
   5019 N Williams Ave., 97217
3. Electronic Industries
   Barbara Hauge - 644-1229
   Beaverton Local Office
   8196 S.W. Hall Blvd.
   P.O. Box 7[illegible] 97075
4. Accounting and Engineering
   Jo Collins - 657-6812
   Oregon City Local Office
   506 High St.
   P.O. Box 71, 97045 □

OREGON LABOR TRENDS

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Send comments, questions, and address changes ATTN: R&S-LMI or Phone (503) 378-8657 or toll free 1-800-237-3710 ext. 8-8657.

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DEPARTMENT OF HUMAN RESOURCES
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SALEM, OREGON 97311

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